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<b>State:</b>	District of Columbia	<b>Filing Company:</b>	Companion Life Insurance Company
<b>TOI/Sub-TOI:</b>	H10G Group Health - Dental/H10G.000 Health - Dental		
<b>Product Name:</b>	Group Dental		
<b>Project Name/Number:</b>	Group Dental/CL-DEN-1000-P-DC RATE		

## Filing at a Glance

Company:	Companion Life Insurance Company
Product Name:	Group Dental
State:	District of Columbia
TOI:	H10G Group Health - Dental
Sub-TOI:	H10G.000 Health - Dental
Filing Type:	Rate
Date Submitted:	11/14/2019
SERFF Tr Num:	EWLE-132133191
SERFF Status:	Submitted to State
State Tr Num:	
State Status:	
Co Tr Num:	CL-DEN-1000-P-DC RATE
Implementation	On Approval
Date Requested:	
Author(s):	Suzanne Heasley, Muhammed Gulen, Angie Damiani, Jamie Fender
Reviewer(s):	
Disposition Date:	
Disposition Status:	
Implementation Date:	

**State:** District of Columbia **Filing Company:** Companion Life Insurance Company  
**TOI/Sub-TOI:** H10G Group Health - Dental/H10G.000 Health - Dental  
**Product Name:** Group Dental  
**Project Name/Number:** Group Dental/CL-DEN-1000-P-DC RATE

## General Information

Project Name: Group Dental  
Project Number: CL-DEN-1000-P-DC RATE  
Requested Filing Mode: Review & Approval  
Explanation for Combination/Other:  
Submission Type: New Submission  
Group Market Type: Employer  
Filing Status Changed: 11/14/2019  
State Status Changed:  
Created By: Angie Damiani  
Corresponding Filing Tracking Number: EWLE-132133192

Status of Filing in Domicile:  
Date Approved in Domicile:  
Domicile Status Comments:  
Market Type: Group  
Group Market Size: Small and Large  
Overall Rate Impact:  
  
Deemer Date:  
Submitted By: Angie Damiani

### Filing Description:

RE: Companion Life Insurance Company NAIC # 77828

CL-DEN-1000-P-DC Group Dental Policy  
CL-DEN-1000-C-DC Group Dental Certificate  
CL-DEN-1000-APP Group Dental Application  
CL-DEN-1000-ENR Group Dental Enrollment Form

Dear Sir or Madam:

This submission is being made on behalf of Companion Life Insurance Company. These forms are submitted for review and approval. These forms are new and not intended to replace any previously approved forms.

The corresponding form filing has been made under SERFF Tracking # EWLE-132133192

These forms are designed to provide group dental coverage.

A variability statement and readability certification have been attached to this submission. All bracketed numbers are variable to the extent allowable by your state's law.

The forms are in final print, subject to minor variations in formatting, duplicating, shading and fonts. In addition, the Application may be reproduced electronically which could result in format changes. While every effort is made to submit filings without mistakes, the Company reserves the right to make corrections to any typographical errors such as misspellings or minor grammatical errors noted after filing and approval.

Should you have any questions or need any additional information, please do not hesitate to call me at 972-850-0850.

Sincerely,

Melanie King  
Compliance Consultant  
Lewis & Ellis, Inc.  
mking@lewisellis.com

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<b>State:</b>	District of Columbia	<b>Filing Company:</b>	Companion Life Insurance Company
<b>TOI/Sub-TOI:</b>	H10G Group Health - Dental/H10G.000 Health - Dental		
<b>Product Name:</b>	Group Dental		
<b>Project Name/Number:</b>	Group Dental/CL-DEN-1000-P-DC RATE		

## Company and Contact

### Filing Contact Information

Muhammed Gulen, Compliance Consultant mgulen@lewisellis.com  
700 Central Expressway South 972-850-0853 [Phone]  
Suite 550  
Allen, TX 75013

### Filing Company Information

(This filing was made by a third party - lewisandellisincorporated3)

Companion Life Insurance Company	CoCode: 77828	State of Domicile: South Carolina
7909 Parklane Road, Ste 200	Group Code: 661	Company Type:
Columbia, SC 29223-5666	Group Name: Companion Life Ins Co	State ID Number:
(803) 735-1251 ext. [Phone]	FEIN Number: 57-0523959	

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## Filing Fees

Fee Required? No

Retaliatory? No

Fee Explanation:

<b>State:</b>	District of Columbia	<b>Filing Company:</b>	Companion Life Insurance Company
<b>TOI/Sub-TOI:</b>	H10G Group Health - Dental/H10G.000 Health - Dental		
<b>Product Name:</b>	Group Dental		
<b>Project Name/Number:</b>	Group Dental/CL-DEN-1000-P-DC RATE		

## Form Schedule

Lead Form Number: CL-DEN-1000-P-DC								
Item No.	Schedule Item Status	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments
1		Policy	CL-DEN-1000-P-DC	POL	Initial		56.900	
2		Certificate	CL-DEN-1000-C-DC	CER	Initial		51.200	
3		Application	CL-DEN-1000-APP	AEF	Initial		50.400	
4		Enrollment Form	CL-DEN-1000-ENR	AEF	Initial		51.100	

### Form Type Legend:

<b>ADV</b>	Advertising	<b>AEF</b>	Application/Enrollment Form
<b>CER</b>	Certificate	<b>CERA</b>	Certificate Amendment, Insert Page, Endorsement or Rider
<b>DDP</b>	Data/Declaration Pages	<b>FND</b>	Funding Agreement (Annuity, Individual and Group)
<b>MTX</b>	Matrix	<b>NAP</b>	Network Access Plan
<b>NOC</b>	Notice of Coverage	<b>OTH</b>	Other
<b>OUT</b>	Outline of Coverage	<b>PJK</b>	Policy Jacket
<b>POL</b>	Policy/Contract/Fraternal Certificate	<b>POLA</b>	Policy/Contract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider
<b>PRC</b>	Provider Contract/Provider Addendum/Provider Leading Agreement	<b>PRD</b>	Provider Directory

<b>State:</b>	District of Columbia	<b>Filing Company:</b>	Companion Life Insurance Company
<b>TOI/Sub-TOI:</b>	H10G Group Health - Dental/H10G.000 Health - Dental		
<b>Product Name:</b>	Group Dental		
<b>Project Name/Number:</b>	Group Dental/CL-DEN-1000-P-DC RATE		

## Rate Information

Rate data applies to filing.

<b>Filing Method:</b>	SERFF
<b>Rate Change Type:</b>	Neutral
<b>Overall Percentage of Last Rate Revision:</b>	0.000%
<b>Effective Date of Last Rate Revision:</b>	
<b>Filing Method of Last Filing:</b>	N/A
<b>SERFF Tracking Number of Last Filing:</b>	N/A

## Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Companion Life Insurance Company	0.000%	0.000%	\$0	0	\$0	0.000%	0.000%

State:	District of Columbia	Filing Company:	Companion Life Insurance Company
TOI/Sub-TOI:	H10G Group Health - Dental/H10G.000 Health - Dental		
Product Name:	Group Dental		
Project Name/Number:	Group Dental/CL-DEN-1000-P-DC RATE		

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		Rate Manual	CL-DEN-1000-P-DC	New		State Rating Tables-District of Columbia.pdf,

Companion Life - Dental Rate Manual  
10/29/19  
Calculation - District of Columbia

Calculation

Step

- 1 Base Monthly Charges
- 2 Fee Schedule Adjustment
- 3 Rate Guarantee
- 4 R&C Adjustment
- 5 Sub-Total 1
- 6 Deductible Adjustment +/-
- 7 Sub-Total 2
- 8 Plan Maximum Adjustment
- 9 Maximum Roll Forward
- 10 Deferred Benefits Adjustment
- 11 Coinsurance Adjustment
- 12 Sub-Total 3

In-Network							
Adult				Child			
A	B	C	Ortho	A	B	C	Ortho
8.84	5.45	14.13	0.00	10.35	5.40	4.32	0.00
1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
8.84	5.45	14.13	0.00	10.35	5.40	4.32	0.00
0.00	-1.21	-0.47	0.00	0.00	-0.60	-0.05	0.00
8.84	4.24	13.66	0.00	10.35	4.80	4.27	0.00
1.00	1.00	1.25	1.00	1.00	1.00	1.25	1.00
1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
1.00	0.80	0.50	0.00	1.00	0.80	0.50	0.00
8.84	3.40	8.53	0.00	10.35	3.84	2.67	0.00

Out-of-Network (UCR)							
Adult				Child			
A	B	C	Ortho	A	B	C	Ortho
17.94	10.65	26.78	0.00	20.38	10.51	8.52	0.00
1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
17.88	10.62	26.70	0.00	20.32	10.48	8.50	0.00
0.00	-1.21	-0.47	0.00	0.00	-0.60	-0.05	0.00
17.88	9.41	26.23	0.00	20.32	9.88	8.45	0.00
1.00	1.00	1.25	1.00	1.00	1.00	1.25	1.00
1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
1.00	0.80	0.50	0.00	1.00	0.80	0.50	0.00
17.88	7.53	16.40	0.00	20.32	7.90	5.28	0.00

- 13 Combined Sub-Total
- 14 Industry Adjustment
- 15 Case Size Adjustment
- 16 Choice Plan Load
- 17 Penetration Assumption
- 18 Sub-Total 4

In-Network	
Adult	Child
20.77	16.86
1.000	1.000
1.000	1.000
1.000	1.000
0.286	0.286
5.941	4.822

Out-of-Network	
Adult	Child
41.81	33.50
1.000	1.000
1.000	1.000
1.000	1.000
0.714	0.714
29.851	23.922

- 19 Blended In & Out Claim Cost
- 20 PPO pepm Fee
- 21 Expense Percentage
- 22 Final Premium

Blended Rate		
Ee	Sps	Child
35.79	35.79	28.74
0.65	0.00	0.00
65.0%	65.0%	65.0%
56.06	55.06	44.22

- 23 Premium Rates

- 24 Voluntary (0% - 29% Employer Contribution)
- Contributory (30% - 79% Employer Contribution)
- Employer Paid (80% - 100% Employer Contribution)

		Voluntary		Contributory		Employer Paid	
Premium Rates By Tier Structure		Charged	Manual	Charged	Manual	Charged	Manual
	Per Adult	56.06	56.06	50.46	50.46	44.85	44.85
	Per Child	44.22	44.22	39.80	39.80	35.38	35.38
2 Tier	Employee Only	56.06	56.06	50.46	50.46	44.85	44.85
	Employee and Family	151.20	151.20	136.08	136.08	120.96	120.96
3 Tier	Employee Only	56.06	56.06	50.46	50.46	44.85	44.85
	Employee & 1 Dependent	108.60	108.60	97.74	97.74	86.88	86.88
	Employee & 2+ Dependents	177.02	177.02	159.32	159.32	141.62	141.62
4 Tier	Employee Only	56.06	56.06	50.46	50.46	44.85	44.85
	Employee and Spouse	111.13	111.13	100.01	100.01	88.90	88.90
	Employee and Children	121.47	121.47	109.33	109.33	97.18	97.18
	Employee and Family	176.54	176.54	158.88	158.88	141.23	141.23

**Companion Life - Dental Rate Manual**

**10/28/19**

**Zip Code Adjustments**

**District of Columbia**

<b>Zip</b>	<b>State</b>	<b>Area Description</b>	<b>Jul-19 OON Area Price Adj.</b>	<b>DenteMax Fee Schedule Adj.</b>	<b>DenteMax Provider %</b>
200	DC	WASHINGTON DC (200,202-205)	1.282	8	28.60%
203	DC	WASHINGTON DC (200,202-205)	1.282	8	0.00%
205	DC	WASHINGTON DC (200,202-205)	1.282	8	0.00%



**Companion Life - Dental Rate Manual**  
**10/29/19**  
**Output**

Group Name: **State of District of Columbia**  
Group Location: **Statewide Average District of Columbia**  
Target Loss Ratio: **65.0%**

Product Type: **PPO Plan**  
Orthodontia Coverage: **No**  
Takeover / Virgin: **Takeover Group**  
Effective Date: **1/1/2020**  
Rate Guarantee: **12 months**  
Industry: **Wholesale - Durable**

Deductible:  
Deductible Limit:  
Class A Deductible Waived:  
Ortho Lifetime Maximum:  
UCR Basis:  
Maximum Roll Forward:  
Preventive Rewards:

In-Network	Out-of-Network
\$50 Annual	\$50 Annual
Max 3 per family	Max 3 per family
Waived	Waived
n/c	n/c
n/c	90th %ile
no	no
no	no

Base Plan Benefit Maximum:

Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500

Coinsurance:

Class A  
Class B  
Class C  
Orthodontia

Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
100%	100%	100%	100%	100%	100%
80%	80%	80%	80%	80%	80%
50%	50%	50%	50%	50%	50%
n/c	n/c	n/c	n/c	n/c	n/c

Waiting Periods:

Class A  
Class B  
Class C  
Orthodontia

In-Network	Out-of-Network
0 months	0 months
0 months	0 months
0 months	0 months
n/c months	n/c months

Category of Services:

Cleanings  
Exams  
Fluoride  
Sealants  
Space Maintainers  
Emergency Pain  
Oral Cancer Screening  
Occlusal Guards  
Radiographs - Bitewings  
Radiographs - FMX  
Restorations (Amalgams)  
Restorations (Posterior Resin)  
Simple Extractions  
Surgical Extractions  
Oral Surgery  
Endodontics  
Periodontal Maintenance  
Non-Surgical Periodontics  
Surgical Periodontics  
Inlays  
Onlays  
Crowns  
Crown Repairs  
Bridges  
Bridge Repairs  
Dentures  
Denture Repairs  
Implants  
Temporomandibular Joint  
Anesthesia  
Orthodontic Coverage

ADULT T.O.S.	CHILD T.O.S.	ADULT T.O.S.	CHILD T.O.S.
A	A	A	A
A	A	A	A
n/c	A	n/c	A
n/c	B	n/c	B
n/c	B	n/c	B
B	B	B	B
n/c	n/c	n/c	n/c
n/c	n/c	n/c	n/c
A	A	A	A
B	B	B	B
B	B	B	B
B	B	B	B
C	C	C	C
C	C	C	C
C	C	C	C
C	C	C	C
C	C	C	C
C	C	C	C
C	C	C	C
C	C	C	C
C	C	C	C
C	C	C	C
C	C	C	C
C	C	C	C
C	C	C	C
C	C	C	C
n/c	n/c	n/c	n/c
C	C	C	C
D	D	D	D

**Premium Rates**

Premium Rates By Tier Structure		Voluntary	
		Charged	Manual
	Per Adult	56.06	56.06
	Per Child	44.22	44.22
<b>2 Tier</b>	Employee Only	56.06	56.06
	Employee and Family	151.20	151.20
<b>3 Tier</b>	Employee Only	56.06	56.06
	Employee & 1 Dependent	108.60	108.60
	Employee & 2+ Dependents	177.02	177.02
<b>4 Tier</b>	Employee Only	56.06	56.06
	Employee and Spouse	111.13	111.13
	Employee and Children	121.47	121.47
	Employee and Family	176.54	176.54

**Contributory**

Charged	Manual
50.46	50.46
39.80	39.80
50.46	50.46
136.08	136.08
50.46	50.46
97.74	97.74
159.32	159.32
50.46	50.46
100.01	100.01
109.33	109.33
158.88	158.88

**Employer Paid**

Charged	Manual
44.85	44.85
35.38	35.38
44.85	44.85
120.96	120.96
44.85	44.85
86.88	86.88
141.62	141.62
44.85	44.85
88.90	88.90
97.18	97.18
141.23	141.23

**Voluntary (0% - 29% Employer Contribution)**

**Contributory (30% - 79% Employer Contribution)**

**Employer Paid (80% - 100% Employer Contribution)**

<b>State:</b>	District of Columbia	<b>Filing Company:</b>	Companion Life Insurance Company
<b>TOI/Sub-TOI:</b>	H10G Group Health - Dental/H10G.000 Health - Dental		
<b>Product Name:</b>	Group Dental		
<b>Project Name/Number:</b>	Group Dental/CL-DEN-1000-P-DC RATE		

## Supporting Document Schedules

<b>Bypassed - Item:</b>	Cover Letter
<b>Bypass Reason:</b>	Information in General Information tab.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Certificate of Authority to File
<b>Comments:</b>	
<b>Attachment(s):</b>	Authorization Letter.PDF
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Actuarial Memorandum
<b>Comments:</b>	
<b>Attachment(s):</b>	Generic 63% LR 2.00% Tax Dental Act Memo - 11-4-2019.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Actuarial Justification
<b>Comments:</b>	See Actuarial Memorandum.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	District of Columbia and Countrywide Loss Ratio Analysis (P&C)
<b>Bypass Reason:</b>	Not P&C filing.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)
<b>Bypass Reason:</b>	Not P&C filing.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>State:</b>	District of Columbia	<b>Filing Company:</b>	Companion Life Insurance Company
<b>TOI/Sub-TOI:</b>	H10G Group Health - Dental/H10G.000 Health - Dental		
<b>Product Name:</b>	Group Dental		
<b>Project Name/Number:</b>	Group Dental/CL-DEN-1000-P-DC RATE		

<b>Bypassed - Item:</b>	Actuarial Memorandum and Certifications
<b>Bypass Reason:</b>	Not submitting URRT.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Unified Rate Review Template
<b>Bypass Reason:</b>	Not a rate increase.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Readability Certification
<b>Comments:</b>	
<b>Attachment(s):</b>	Readability Certification.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	



# Companion Life

COMPANION LIFE INSURANCE COMPANY  
7909 Parklane Road, Suite 200, Columbia, South Carolina 29223-5666  
P.O. Box 100102, Columbia, South Carolina 29202-3102  
(803) 735-1251

**NAIC Company Code 77828**

January 10, 2019

VIA E-MAIL: [jhammerquist@lewisellis.com](mailto:jhammerquist@lewisellis.com)

Josh Hammerquist, Vice President  
Lewis & Ellis, Inc.  
700 Central Expressway South, Suite 550  
Allen, TX 75013-8098

Re: Authorization Letter

Dear Mr. Hammerquist,

This letter authorizes Lewis & Ellis, Inc. to submit filings via the System for Electronic Rate Filing and Forms ("SERFF") under its account and to perform each and every action necessary in connection with such submission on behalf of Companion Life Insurance Company ("Companion Life"). This authorization includes permitting Lewis & Ellis, Inc. to respond to state inquiries arising out of or related to SERFF filings. This authorization shall remain in place until the engagement with Lewis & Ellis, Inc. ends.

If you have any questions, please do not hesitate to call me at 803.264.5070.

Sincerely,

Diane Fischer  
Chief Financial Officer

**Actuarial Memorandum  
Group Dental Insurance Policy  
Policy Form: CL-DEN-1000-P**

**Scope and Purpose**

The purpose of this actuarial memorandum is to describe the benefits and assumptions for the attached Group Dental Insurance Policy, and to certify that this Policy is in compliance with applicable laws and regulations of the state. This memorandum is not intended to be used for any other purpose. This is a new policy form. This form is not intended to be an ACA Stand Alone Dental Plan (SADP).

**Benefit Description**

This Policy is designed to provide dental insurance benefits for employees and members of employer groups and their dependents. The premiums may be paid by the employee, employer, member, or any combination.

- Benefits in this Policy include coverage for some or all of the following types of dental services: preventive, diagnostic, basic, major, and orthodontia.
- The basic plan design includes a deductible, coinsurance, and annual maximum that can vary by type of service. There may also be waiting periods, frequency limits, and age limits for certain procedures, as defined in the Policy.
- For Participating Providers the benefit payable for each procedure is based on a fee schedule accepted by the network of Participating Providers in the state.
- For non-Participating Providers the benefit payable for each procedure may be limited to a maximum allowable charge as defined by the Company using industry-wide data.

**Renewability Clause**

This is an optionally renewable Policy to be priced on an annually rated basis.

**Applicability**

This filing applies to both new and renewing policies.

**Morbidity**

The AWMS rating model is used which starts with utilization rates for dental services for adults and children separately which are then applied to fee schedules for in-network services and mean charges for out-of-network services. These fee schedules and mean charges are adjusted separately for effective date to reflect the most current changes in prices for dental services. The resulting beginning claim charges are then adjusted for plan design features including deductibles, coinsurance, annual maximums

and waiting periods or frequency limits, if any. They are also adjusted for demographic and risk factors including area, industry, employer contributions, employee participation, and group size. The resulting final claim charges are then divided by the target loss ratio which is based on the total expected expense and retention charges, and the final adult and child rates are then multiplied by tier factors to produce the final premium rates per family tier.

**Persistency**

Since this is an annually rated benefit, there is no persistency assumption necessary. Morbidity is assumed to be at the ultimate level in the first and each subsequent duration. Any observed morbidity changes will be incorporated into the premiums using adjustments to the utilization rates, fee schedules, or mean charges.

**Expenses**

The expense assumptions for this Policy are based on the company's actual costs developed from experience with other Group Insurance Forms. These assumptions include an assumption that the moratorium on the federal HIT tax will be discontinued. If that moratorium continues or there is a change to the HIT tax, the expenses will be adjusted to include the appropriate HIT tax.

<b>Expenses</b>	
Commissions and Override:	15.00%
Administration:	14.00%
HIT tax:	2.00%
Premium tax:	2.00%

**Contingency and Risk Margin**

This Policy includes a contingency and risk margin of 4.00% of premium, which is sufficient to meet the Company's return on investment target with respect to its risk based capital requirements.

**Marketing Method**

This product is sold through a network of independent agents and brokers.

**Underwriting**

There is no individual underwriting for this Policy; the coverage is guaranteed issue.

**Premium Classes**

For groups with fewer than 100 employees, manual rates as described in the Morbidity section above are used for new issues, and a community rating by group size and loss ratio method is used for renewals. Groups with 100 or more employees are experience rated for both new issues and renewals. In addition, a blend of manual rates and

experience rates may be used for groups between 50 and 150 employees if sufficient experience information is available.

**Average Monthly Premium Rates**

The average monthly premium rate varies based on plan design, demographic factors, and other risk factors; and for the Company's existing plans averages \$53.83 per employee.

**Premium Modalization Rules**

Premiums for this Form can be billed weekly, bi-weekly, monthly, quarterly, semiannually, or annually. Weekly premiums are 1/52 of annual premiums, bi-weekly premiums are 1/26 of annual premiums, and monthly premiums are 1/12 of annual premiums. Quarterly premiums are 1/4 of annual premiums. Semiannual premiums are 1/2 of annual premiums.

**Claim Liability and Reserves**

An incurred but not reported claim reserve will be held for this coverage. This reserve will be estimated based on the previous 12-months of claim lag data (claims by incurred date and paid date).

**Trend Assumption**

An explicit trend assumption is not used in pricing this product. The utilization rates, fee schedules, and mean charges will be adjusted based on actual changes in each of these factors. For renewals and for new business groups that are experience rated a trend factor is used based on recent increases in the dental CPI-U plus a small margin. That trend factor is currently 4%.

**Target Loss Ratio**

The target loss ratio for this Policy is 63% at all durations. The target loss ratio of 63.0% assumes the discontinued moratorium on the federal HIT tax as stated above. If that moratorium should continue or there is a change in the HIT tax, the target loss ratio would be revised accordingly, but in no event will the target loss ratio be lower than 60%.

**Proposed Effective Date**

The proposed effective date is upon approval.

**Actuarial Certification**

I am a Fellow of the Society of Actuaries and a Member of the American Academy of Actuaries, and I meet the Academy's qualification standards for preparing health rate filings.

I certify that to the best of my knowledge and judgment:

- (1) the rates attached comply with Actuarial Standard of Practice No. 8, "Regulatory Filings for Health Benefits, Accident and Health Insurance, and Entities Providing Health Benefits";
- (2) the benefits provided are reasonable in relation to the proposed premiums;
- (3) the filing is in compliance with all applicable laws and regulations of the State or Territory in which it is filed; and
- (4) the rates are not unfairly discriminatory.



Josh Hammerquist, F.S.A., M.A.A.A.  
LEWIS & ELLIS, INC.

November 4, 2019



## Readability Certification

Insurance Company: Companion Life Insurance Company

<u>Form Number</u>	<u>Description of Form</u>	<u>Score</u>
CL-DEN-1000-P	Policy	56.9
CL-DEN-1000-C	Certificate	51.2
CL-DEN-1000-APP	Application	50.4
CL-DEN-1000-ENR	Enrollment Form	51.1

I hereby certify that the above referenced forms comply with the readability requirements of this State.

  
\_\_\_\_\_  
Authorized Signature

  
\_\_\_\_\_  
Name

  
\_\_\_\_\_  
Title

  
\_\_\_\_\_  
Date